

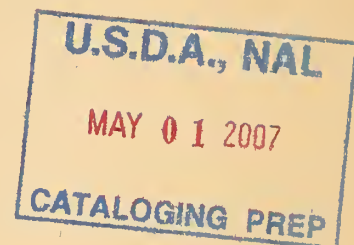
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State Regulation of Agricultural Wages
in
Foreign Countries

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State Regulation of Agricultural Wages in Foreign Countries

Introduction

Agricultural Workers in foreign countries have tried for many years through trade unions and collective bargaining to secure a certain minimum standard of wages and to regulate other conditions of employment. These efforts, however,, have led to only limited success and consequently there has been a growing feeling among agricultural workers of the need of State help to secure a national scope to the results they have obtained locally or regionally.

In the early post-war years, collective bargaining and wage regulation through State intervention found their way simultaneously into agriculture. At that time, the great majority of agricultural workers' unions did not hesitate to disclose their preference for collective bargaining to achieve their ends. As late as 1928, for example, with the exception of the less important unions, the International Land Workers' Federation at their Fifth Congress in Prague went on record as being opposed to State intervention in the wage-fixing process.^{1/} Collective bargaining proper, however, was not adequate in the solution of problems raised by the rapid changes which the agricultural industry was undergoing, and agricultural workers began to accept the consequences of this situation. By 1935 they had abandoned the position taken in Prague seven years earlier. This change of view found expression at the Seventh Congress of the Land workers' Federation held that year in London. At that Congress, the Executive Committee of the

^{1/} International Labor Office, Social Problems in Agriculture,
Record of the Permanent Agricultural Committee of the I.L.O.,
Series K, No. 14, 1928, p. 87.

Federation was instructed to renew the study of the problem and make recommendations. ^{1/} Accordingly, in 1936, the Committee of the Federation adopted principles implying that the agricultural workers' unions were ready to contemplate a system of State regulation of wages. At the same time it formulated a statement to the Governing Body of the International Labor Office requesting that the Office make a survey on the forms and extent of wage regulations in various countries. The Permanent Agricultural Committee of the International Labor Office, which eventually considered this subject at its first session in February 1938, adopted, among others, the following resolution:

"The Permanent Agricultural Committee requests the Governing Body of the International Labor Office to instruct the Office to continue its studies on the question of a system of wage-fixing for agricultural workers and asks the Governing Body to examine the desirability of placing the question on the agenda of one of the next Sessions of the International Labor Conference."

^{2/}

Thus, today, wage regulation in agriculture, as indeed other social problems in the industry, is again the subject of intense discussion by the general public and of increased activity on the part of the authorities. The economic depression which began in 1930, and which has affected practically the entire world, has intensified the efforts of many countries to secure for the farmers and their families a certain minimum standard of living. These efforts, however, have brought into the foreground the question of how to secure agricultural labor a fair share of this assistance. Before reviewing the plans which other countries have adopted in an attempt

^{1/} Ibid, p. 87.

^{2/} Ibid, p. 153.

to answer this question, a brief explanation is necessary regarding the relationship between collective bargaining and state regulation with respect to their respective roles of fixing wages for agricultural workers.

Wage regulation in the agricultural industry of foreign countries has taken many different forms, but the two general approaches have been through collective bargaining and state intervention. A closer examination of these forms, however, shows that the contrast between collective bargaining and state intervention is not only less marked than often appears on the surface, but that they are frequently complementary. For example, workers' endeavors may be directed not only towards the signing of collective agreements, but also towards the use of a wage regulation organ set up by the State which functions only at the request of the interested parties themselves. Further variations may be cited: the initiative of bringing about collective agreements may no longer lie with the parties concerned but with representatives of the State; or again, the conclusion of collective agreements may be a duty imposed upon the organizations by the State. Thus, it appears, while state intervention carried out for the most part by the help of wage-fixing machinery assumes the possibility of regulating wages in a purely administrative way, experience has shown that this aim is not always within reach unless the collaboration of organized workers and employers is assured.

For reasons of practical convenience, however, this review separates the State regulation of wages in agriculture from the collective bargaining procedure by restricting the analysis, for the most part, to wage regulation initiated by the State where the latter fixes, controls and legally enforces minimum rates of wages throughout the process.

Forms and Examples of Regulation of Agricultural Wages
Through State Intervention Abroad

At least five forms of state regulation of agricultural wages are in force in foreign countries: 1) the fixing of minimum wage rates by law and the inclusion of such rates in a statute; 2) the legal establishment of special machinery for fixing minimum wage rates; 3) the use of the statutory minimum wage in combination with the administrative machinery for raising the minimum and subsequently reducing wages but never below the minimum fixed by statute; 4) the adoption of arbitration machinery, ordinarily used for settling disputes, for purposes of wage regulation; and 5) the regulation of agricultural wages through State assistance of collective or individual bargaining.

The simplest form of state intervention in the wage-fixing process is the establishment of statutory rates. This procedure is followed in Cuba, Uruguay and in the province of San Juan, Argentina. ^{1/} In these cases, specific rates are fixed in the law and the payment of less is illegal. No time limit for the application of such rates is indicated and they cannot be repealed or modified except through amending legislation. The outstanding example of wage regulation by special machinery, which, on the other hand, is a more elastic procedure, is provided by England and Wales and by Scotland. Similar, although not as elaborate, machinery is found also in Ireland, Mexico and Yugoslavia, and at one time also existed in Hungary. The wage

^{1/} In Uruguay such legislation was passed in February 1923 and in San Juan, Argentina, in November 1923; in Cuba, the Sugar Coordination Act, regulating the wages of agricultural workers in sugar cane cultivation, was passed in September 1937 and amended in February 1938.

fixing process adopted in the provinces of Santa Fe and Buenos Aires, Argentina may also be included in this category. New Zealand and the Province of Manitoba, Canada provide the sole examples of agricultural wage regulation through the combined application of the statutory minimum wage and of administrative wage fixing machinery, while Australia demonstrates the use of an arbitration system for regulating wages of agricultural workers who are unionized. Finally, regulation of agricultural wages through State assistance of individual or collective bargaining is found in Austria, Czechoslovakia, Denmark, Estonia, France, the Netherlands, Norway, Poland and Sweden. The wage regulating systems of these countries rely, for the most part, on the existence of labor organization among agricultural workers and upon an orderly method of collective bargaining between workers and their employers. Some of these countries bestow upon collective agreements the force and sanction of law, while others utilize such agreements as a base for broad statutory regulations.^{1/}

The following reviews in some detail the systems of regulating agricultural wages in some of the countries mentioned above.

^{1/} It should be noted also that international treaties relating to the employment of alien labor, of which an important part is employed as seasonal labor in agriculture, either lay down directly the wage rates to be paid or assure to the alien worker the same level of pay received by national workers.

1. England, Wales and Scotland

England's first experience with the regulation of wages for agricultural workers came about as a result of the passage of the Corn Production Act of 1917. Prior to that time agricultural wages in England and Wales, were in the main, a matter for individual agreement between employer and worker. The Act provided for a threefold policy of controlled production, guaranteed prices for agricultural products and regulation of agricultural wages. The primary purpose of the Act was to encourage the production of small grains, but in return for a government subsidy to achieve this and the Act required farmers to pay their workers a minimum rate of wages determined for their county by a central agricultural wages board.

In accordance with the law, a central Agricultural Wages Board was established with sole responsibility for fixing wages for each county with the advice of local wages committees which the Board appointed throughout England and Wales. These committees acted in a purely advisory capacity, as the Board reserved the right of actually fixing the minimum rates of wages. Such rates became compulsory only when confirmed by the Minister of Agriculture.

Prior to the fixing of minimum wage rates by the central Agricultural Wages Board, the Act prescribed a flat minimum of 25 shillings per week for all able-bodied male agricultural workers. After the Wages Board was established, it sought to increase the general minimum rates in proportion to the rising cost of living and rates were fixed separately for adult male and female farm hands. Thus, from May to October

in 1917, a weekly minimum rate of 30 shillings per week was set for male agricultural workers and a minimum hourly rate of five pence was established for adult female farm workers. By September 1921, the minimum for adult men had been increased to 42 shillings per week and that for adult females to 7 pence per hour.^{1/}

Due to the economic depression which began in 1921, the Act was repealed and the system of legally enforceable minima came to an end as government subsidies were withdrawn. As a substitute for the Corn Production Act, Parliament, in the same year, enacted the Corn Production (Repeal) Act which introduced a system of district conciliation committees.

In sharp contrast with the centralized and compulsory wage fixing procedure of the 1917 Act, the 1921 Act provided for the establishment of local wage committees with whom determination of minimum rates were entirely voluntary. Wage agreements reached by these bodies could become compulsory upon all farmers in a district if registered with the Ministry of Agriculture. Actually, however, very few agreements were made and fewer still were submitted for confirmation by the Minister. The voluntary system of wage determination, therefore, was almost a complete failure and this was reflected in the steady decline of agricultural wages to the low levels of 1917.^{2/}

^{1/} The Ministry of Labour Gazette, October 1921, P. 522.

^{2/} Dorothy Sells, British Wages Boards, a Study in Industrial Democracy, 1939, pp. 34-35 and 276.

The rapid decline of agricultural wages after the repeal of the Corn Production (Repeal) Act of 1921 resulted in considerable agitation by the National Union of Agricultural Workers in favor of either restoring the law or of applying the Trade Board system to agriculture. In addition, non-agricultural labor groups realized that industrial and agricultural wages were economically related. The wage level of industrial workers, it was noted, was threatened unless the wage level of agricultural workers was safeguarded. It was also argued that low agricultural wages resulted in reduced purchasing power of farm workers and thus accentuated business crises.

The Labor Government, which was pledged to help farm workers, decided that the established Trade Boards could not properly deal with agriculture. Accordingly, with the improvement of business conditions, Parliament, in 1924, passed the Agricultural Wages (Regulation) Act which provided for a special plan for the industry. The new act complemented the Trade Boards Act of 1918 by applying to English agricultural workers a system of wage regulation similar to that already embracing a large proportion of unorganized persons employed in other industries.

1/ A system of boards, established by the Trade Boards Act of 1909 and amended in 1918, for setting compulsory minimum wages covering a number of trades with extremely low wages and in which adequate collective bargaining machinery did not exist. Under the system excluded trades could be brought in by provisional order of parliament if the Board of Trade in the Ministry of Labor considered that the rate of wages was exceptionally low compared with that in other employments.

2/ Dorothy Sells, Op. Cit., p. 140

3/ The minimum wage act of 1918, called the Trade Boards Act, conceived the joint minimum wage boards as miniature industrial legislatures by which the government extended the right of collective bargaining to workers unable to achieve it for themselves. It also recognized the trade unions and employers' associations as having a limited governmental function and all unorganized trades as being a suitable field for government intervention.

act applied only to England and Wales, but in 1937 similar legislation was adopted for Scotland.

The basic provision in the 1924 Act stipulated that "In fixing minimum rates a Committee shall, so far as practicable, secure for able-bodied men such wages as in the opinion of the Committee are adequate to promote efficiency and to enable a man in an ordinary case to maintain himself and his family in accordance with such standard of comfort as may be reasonable in relation to the nature of his occupation."^{1/}

The acts are based on the compulsory principle of the 1917 Corn Production Act, but follow the principle of the 1921 Corn Production (Repeal) Act by providing for a decentralized network of wage fixing committees. These autonomous local wages committees have the sole responsibility and final authority for determining compulsory and fair minimum wage rates for the area in which they operate.^{2/} As provided in

^{1/} For purposes of the acts, "agriculture" is loosely defined as including dairy farming and the use of land for grazing, meadow, pasture, orchards, woodland, market gardens or nursery grounds. Since this definition lacks precision, the Minister of Agriculture is called upon, from time to time, to decide whether a particular worker falls within the scope of the act. Such decisions carry no final authority, however, as they eventually hinge upon the interpretation of a court.

^{2/} Each of the local Agricultural Wages Committees consists of an equal number of representatives of employers and workers, two impartial members appointed by the Minister of Agriculture and a chairman appointed by the committee itself. The employer representatives are nominated by the Council of the National Farmers' Union, and the labor representatives, by the Executive Committee of the National Union of Agricultural Workers and the General Executive Council of the Transport and General Workers' Union. In 1937, over 750 persons were serving on these committees of which there were 47 in England and Wales and 11 in Scotland.

the Act, the full duties of these committees are as follows: a) to fix minimum rates of wages for all workers in agriculture, including the fixation of overtime rates: b) define overtime employment; c) define benefits which may be reckoned as part payment of minimum rates of wages in lieu of payments in cash and d) determine exemptions from the minimum rates in cases of physical injury or mental deficiency. In 1937, the local agricultural wage committees were in charge of setting minimum wage rates for about 740,000 agricultural workers of whom 110,000 were in Scotland. More than 85 per cent of the total number of these workers are men. Of the 644,000 male agricultural workers, slightly less than 12 per cent are casual workers and about 20 per cent are under 21 years of age.^{1/}

A central Agricultural Wages Board performs the perfunctory task of issuing minimum wage orders giving statutory effect to the decisions of the local representative committees and the Minister of Agriculture enforces compliance. The Board possesses no power to revise or question such decisions unless they are "ultra vires", nor has the Minister of Agriculture mandatory authority to confirm minimum rates before they

^{1/} Ministry of Agriculture and Fisheries, Report of Proceedings Under the Agricultural Wages (Regulations) Act of 1924, year ended September 30, 1937, P. 11; and Preliminary figures issued by the Ministry of Agriculture and Fisheries, Ministry of Labor Gazette, September, 1938.

become effective - as was the case under the Corn Production Act of 1917.^{1/} The Minister may, however, direct a local wages committee to reconsider any rates which it has determined. Although the local committee is bound to reconsider, it is nevertheless free to adhere to the rate it had determined. In addition to issuing minimum wage orders, the central Board also performs the following duties:^{2/} a) takes charge in case of default in the operation of the local wage committees; b) advises either local committees or the Minister of Agriculture on question of labor and wages; c) acts in an advisory capacity as a coordinating agency; and d) is responsible for seeing that the act operates everywhere.

In practice, each local committee fixes for its county a minimum weekly rate of wages for "ordinary agricultural workers" and for special classes of farm workers.^{3/} These rates, which are customarily different

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- 1/ This is also one of the major differences between the Agricultural Wages Committees under the 1924 Agricultural Wages (Regulation) Act and the Trade Boards under the 1909 and 1918 Trade Boards Act with regard to the setting of minimum wages. Though the Trade Boards are vested with power to determine minimum rates of wages, the rates become effective only when confirmed by the Minister of Labor. In the case of wage rates set by the Agricultural Wages Committees, no such confirmation is necessary by the Minister of Agriculture. In this respect they enjoy a larger degree of self-government than the Trade Boards.
- 2/ The Central Agricultural Wages Board is composed of 21 members; eight representatives of employers, eight representatives of workers, and four other members and a chairman appointed by the Minister of Agriculture.
- 3/ The term "ordinary agricultural workers" denotes an adult male worker entitled to the normal minimum wage. It excludes youths, female workers, workers having exemptions for whom lower minima are prescribed, and also special classes of workers for whom higher rates have been fixed. The last group includes horsemen, cowmen, stockmen, shepherds, foresters and harvesters. The higher rates for these workers represent an increment to cover longer hours or casual work rather than an increased rate in recognition of greater skill. These special rates average about five shillings above the weekly minimum wage for ordinary workers.

for male and female workers ^{1/} and which vary as between regions, usually apply for a definite period of 12 months or less. But this does not preclude altering them before the expiration date.

The minimum wage set by local committees is for a work-week of a certain number of hours; all work over and above the prescribed number of hours or work on holidays are considered overtime, and must be paid for at a higher rate. ^{2/} By defining the length of the work-day or work-week to which the wage is fixed, the committees, in effect, limit working hours. Thus, in 1937, the average weekly minimum wage for ordinary adult male workers of 33 shillings 4 pence represented earnings for an average work-week of 50 hours in winter and 52 hours in summer. ^{3/}

1/ Agricultural Wages Committees are chiefly concerned with determining minima for male workers. Only a comparatively small proportion of the women employed in agriculture are full-time regular workers in the industry. Full-time women workers in agriculture are usually engaged in domestic duties on the farm. Only a minor portion of their time is devoted to dairying, poultry raising or horticulture. Every year, however, large numbers of women are employed for a few weeks or more on various seasonal jobs such as picking fruit, vegetables and hops. Much of this work is performed by wives or daughters of male farm workers and is considered merely as a source of additional income.

2/ Most of the 42 Committees which in 1937 made provisions defining employment on public holidays as overtime "have provided that in the week in which the public holiday occurs the hours in respect of which the weekly minimum wage is payable shall be reduced, which means, in effect, that these provisions secure for the worker either a paid holiday on the public holiday or overtime payment for any work done on that day." (Ministry of Agriculture and Fisheries, Op. Cit., p. 4).

3/ Ministry of Agriculture and Fisheries, Op. cit., pp. 3 and 11.

Rates for female workers in most areas are fixed on an hourly basis and in 1937 varied from 5 pence to 7 pence ^{1/}per hour. Also, 13 committees made provision for the payment of special minimum and overtime rates of wages for employment on harvest work in 1937. Although the committees are empowered to set minimum rates of wages for agricultural workers employed on piece work, none has seen cause to use this authority.

When the minimum rates of wages have been made effective by an order of the central Agricultural Wages Board, any person who employs a worker in agriculture at a lower rate is liable to a fine not exceeding 20 pounds and to a fine not exceeding one pound for each day on which the offense is continued after conviction. Civil proceedings for the recovery of wages due on the account of the failure to pay the minimum rate may also be instituted by an officer of the Board on behalf of the affected worker.

Since the custom of paying farm workers partly in kind is practically universal, regulations under the Agricultural Wages (Regulations) Act require the local wage committees to determine what benefits and advantages may be reckoned as part payment of the minimum rates of wages in lieu of payments in cash. In all areas, the provision of cottages counts as part of payment of wages. In most areas, board and lodging, milk, potatoes and potato ground may be given in part payment of the minimum wage. Other perquisites which are evaluated in wage payment are grazing land, coal, wood, oil and manure. The courts have ruled that only

1/ Ibid., p. 20

those benefits specifically defined by a local wage committee may be counted as part of the minimum wage payment.^{1/}

Before the passage of the acts, few agricultural workers in England, Wales and Scotland knew what it was to have a holiday of any kind. The acts now instruct the committees to secure a weekly half holiday for agricultural workers so far as is reasonably practicable, and much has been accomplished in this direction. Practically all of the wage committees have defined Saturday afternoon or one other half-day in each week as overtime. The great majority of the committees have gone even further by making provisions that employment on certain public holidays should be treated as overtime.

The power to grant permits exempting the employment of aged, disabled or infirm workers from the minimum wage requirements of the act resides also in the local committees. Unless a permit is secured for such a worker, he is entitled to be paid at not less than the rates established by the minimum wage order. An employer who fails to comply with this regulation is liable not only for the payment of back wages, but is liable also to court action. In September 1937, over 8,600 permits were in force, practically all being given to male workers.^{2/}

In the enforcement of minimum rates, the Minister of Agriculture is assisted by a corps of inspectors whose duties are to investigate

^{1/} Dorothy Sells, Op. cit., p. 156

^{2/} Ministry of Agriculture and Fisheries, Op. cit., p. 23.

all specific complaints received from individual workers or their organizations and to carry out test inspections at intervals. The number of complaints received by the Minister of Agriculture steadily increased from 876 in 1925 to 3,733 in 1937. Total back wages recovered from 1925 to 1937 as the result of specific complaints amounted to 140,423 pounds, and as a result of "test" inspections, 23,400 pounds. In addition to the 16,186 pounds recovered in back wages in 1936-1937 as a result of specific complaints or of "test" inspections, the Ministry of Agriculture took legal proceedings against 106 employers during the year and ordered the payment of arrears of wages amounting to 2,772 pounds.^{1/}

From an administrative standpoint the act has been "distinctly successful."^{2/} This is in sharp contrast to the almost complete collapse of voluntary wage regulation after the repeal of the Corn Production Act of 1917. Despite a difficult beginning due largely to business depression, the agricultural wage regulation mechanism under the present Act has never broken down, nor has it been necessary to bring into operation the default provisions embodied in it.

Most of the better class of farm employers have admitted that the minimum rates fixed by the committees have not been too high in relation to the work performed and in comparison to wages paid in industry for comparable tasks. All employers, however, have felt that if the government regulates farm wages, it also should take steps to enable the agri-

1/ Ibid., pp. 8 and 9.

2/ Dorothy Sells, Op. cit., p. 158

cultural industry to pay such wages.^{1/}

Agricultural workers, on their side, have felt that the wage committees have not raised wages as rapidly or as high as was at first expected. After the minimum rates were set in 1926, for example, the average minimum wage for ordinary adult farm male workers remained at 31 shillings 8 pence per week until June 1931. Workers' dissatisfaction was further aggravated when in June 1931, many committees, because of the agricultural depression, lowered the minimum wage for ordinary farm workers to 30 shillings 6½ pence, while other committees accomplished the same results by increasing the number of hours in the work week. After 1933, an improvement began, and by March 1938 the average weekly minimum wage had increased to 34 shillings 3½ pence,^{2/} the highest point

^{1/} It has been said that "The question as to whether employers are or are not in a position to pay the minimum rates of wages is obviously a contentious one. To some extent this source of dissatisfaction has been allayed in the last four years (1934-1938), however, by a 25 per cent increase in agricultural prices. This increase is at least in part due to the preferential treatment accorded to agriculture through regulation of imports by means of tariffs and quotas; through marketing reorganization under which the prices of certain products including milk and bacon and sugar beets have been controlled; and through government subsidies in connection with the production of wheat, oats, barley, fat cattle, pigs and milk, the purchase of fertilizers, and the prevention of disease, amounting altogether to something less than 40 million pounds a year." (The Round Table, June 1938, p. 461; cited by Dorothy Sells, Op. cit., p. 159.

^{2/} Ministry of Agriculture and Fisheries, Report of Proceedings Under the Agricultural Wages (Regulation) Act, 1924, year ended September 30, 1937, pp. 3 and 16.

since the act came into operation.^{1/} In almost all cases where hours had been stepped up, they were restored to the pre-1931 level. It has been observed that "These actions of the committees have restored a measure of confidence in the act on the part of the workers."^{2/}

In summarizing the effect of minimum wage determination upon agriculture after six years of the operation of the Act, the Minister of Agriculture reported that "wage control has been accompanied by an absence of industrial disputes in agriculture during a period (1924-1930) when, if there had been no statutory system of wage regulation, the industry would undoubtedly have experienced great difficulty in adjusting wage rates to the changing value of produce, the variations in the cost of living and the general conditions of the labor market. - - -How far the fact that agriculture has been spared this misfortune in recent years is in any way due to the Act of 1924 is a matter on which the present writer would not venture to offer an opinion. - - - So far, there has

1/ Even with this increase, present wages are still far below the rural and urban requirements for comfortable living. Although the amount represents almost double the pre-war level of wages, it is considerably lower than the average minimum fixed by the Trade Boards for male industrialized workers. Moreover, the March 1938 average wage was only a small margin over the 30 shillings weekly benefit to which a male agricultural worker with a wife and three children was entitled to under the Unemployment Insurance (Agricultural) Act of 1936. It was considerably lower than the 42 shillings 11 pence which represents a "human needs" standard of comfort in a rural community as estimated by B. Seebohm Rowntree and adjusted to 1937 prices. (See Dorothy Sells, op. cit., chart, p. 284.)

2/ George T. Starnes, "Regulation of Agricultural Wages in England", The Southern Economic Journal, April 1939, p. 508.

been practically no indication that either employers or workers in any district desire to reject the decision of the Wages Committees and appeal to the clumsy and wasteful methods of strikes and lock-outs. In attempting to assess the results of the experience of wage administration this is one aspect the importance of which should not be overlooked."^{1/}

In evaluating the non-economic aspects of wage regulation in this industry, the Minister further observed that "apart.....from..... material results, wage regulation in agriculture has been associated with an indirect or psychological change to which many persons familiar with the conditions in the countryside attach great importance. The relationship between employer and worker has altered and is still altering. The old relationship which existed up to 20 or less years ago varied greatly from farm to farm. A good employer treated his workers as an old and trusted friend. On the other hand, a bad employer treated his employees as little more than serfs. In neither case were the hours of employment numbered or discussed. These conditions are gradually being altered and new conditions more comparable with those obtaining in the industrial world are taking their place. It would not be true to say that this change is due solely to wage regulation, although it has contributed to the result."^{2/}

^{1/} "A Review of Wage Regulations in England and Wales, "Report of Proceedings Under the Agricultural Wages (Regulation) Act, 1924, year ended September 30, 1930, pp. 32-33.

^{2/} Ibid, pp. 33-34

In April 1940 under war conditions, it was deemed advisable to amend the 1924 Act in an effort to make farm employment more attractive by raising farm labor standards. The adoption of a national minimum wage for agricultural workers and the granting to a central board the power of final determination of that wage was partly a reversion to the wages provisions in the 1917 Corn Production Act. Unlike that measure, however, the amendment permits local wages committees rather than a central board to raise this minimum. In effect, therefore, the 1940 amendment authorized the Central Agricultural Wages Boards to establish, after consultation with local wage committees, a basic minimum for the nation as a whole below which local committees cannot go without the approval of the Board, but at the same time it permits them to make upward revisions. The Central Board, however, may fix a lower minimum for any county or part of a county only if a county wages committee recommends and proves such a step to be justified. The local committees, also, are required to take the national minimum wage into account when fixing rates for agricultural workers other than men of full age employed on a full time basis.

The rate set by the Central Agricultural Wages Board in 1940 for men engaged in agricultural work in England and Wales was 48 shillings for a 50 hour work-week with overtime pay for hours worked in excess

of this number. Many local wages committees, however, raised wages well above the national minimum. In December 1941, the national minimum itself was raised to 60 shillings.

Today agricultural wages in Great Britain are much higher than at any time during the last war and more than twice as high as before it. Since the outbreak of the present war, Britain's farm workers have won wage increases amounting to about 2,500,000 pounds.

Much of the machinery and administrative techniques in force before 1940 under the Act of 1924 still exist today. The major revision since 1940 relates to the shifting of the source of minimum wage determination. Whereas formerly many minimum wage rates were established by local or regional wage committees and given merely statutory effect by orders issued by the Central Agricultural Wages Board, today it is the Central Board which actually fixes one minimum for the entire country.

A student of the subject writing in "The Economist," an English scientific journal, had this to say with regard to agricultural wage regulation in 1940: "For the agricultural historian, the two outstanding events of the year 1940 may well be the rise of minimum wage rates in June by about one-third to 48 shillings a week, and the survey of individual farms carried out by the county war agricultural committees. The first measure removed at one stroke most of the anxious disparity between rural and urban wage rates."

2. Ireland

In 1936, Ireland passed an Agricultural Wages Act which provides for the fixing of minimum wages for all agricultural workers employed on dairy farms, on land used for grazing, meadow, pasture, orchards, woodland, market gardens or for nursery grounds.^{1/} The Irish system differs in principle from the English system in two respects; firstly, it assumes that employers and workers are unorganized, and, secondly, the wage-fixing authority is centralized and not localized.

For administrative purposes the Minister of Agriculture is required to divide the country into a number of agricultural wages districts, to group these into agricultural wages areas and to set up for each area a committee consisting of a chairman and of an equal number of representatives of employers and workers. In addition, the Act provides for a central Agricultural Wages Board, also selected by the Minister, composed of twelve members, including a chairman, four representatives of employers, four representatives of the workers and three "neutral" members.^{2/} The chairman of the Board is at the same time chairman of all the wages area committees.^{3/}

The Act charges the Agricultural Wages Board to fix by order in

^{1/} The Act which came into operation in April 1937 under an order of the Minister of Agriculture, does not include persons whose work on the farm is mainly domestic service.

^{2/} In accordance with the Act, the Minister has divided the country into 27 Agricultural Wages Districts and grouped these into five Agricultural Wages Areas. He has also constituted the Board and the committees.

^{3/} Journal of the Ministry of Agriculture, (Great Britain), "Agricultural Wages Act, 1936: Irish Free State," March 1937, pp. 1209-1210.

respect of each wages district the minimum rates of wages for farm workers. Before the Board issues an order, however, it must make its intentions known to the wages committee of the area in which the district is situated. The area committee may then, within two months, make its own wage recommendations which the Board must take into consideration in fixing the final wage rates.

The minimum and overtime rates fixed by the Board may apply to a whole district, to any special part of a district, to all agricultural workers or to any special class of farm workers. Such rates may be fixed on an hourly, daily or weekly basis, or on a piece-work basis. The Board may also define the benefits and advantages which may be reckoned as payment of wages in lieu of cash, and the value at which they are to be reckoned. Further, it may issue permits exempting farm laborers from the provisions of the Act if it is satisfied that owing to physical injury, mental deficiency, or infirmity due to age or any other cause such workers are incapable of earning the minimum wage. Appropriate penalties are provided for in cases of violations of the Act or of the Board's minimum wage orders.^{1/}

The first order under the Act, issued in August 1937, fixed a flat minimum rate of 24 shillings for a 54-hour, six-day week in respect of all the wages districts in Ireland for all male adult agricultural workers. Workers under 20 years of age were divided into three grades

^{1/} See, International Labor Office, The Minimum Wage, An International Survey, Series D. No. 22, 1939, pp. 146-147.

and a separate minimum rate of wages was fixed for each grade. Minimum rates were also fixed for overtime and for Sunday work. In addition, prerequisites were defined and evaluated, so that, for example, a farmer who provided a single worker with full board or board and lodging was entitled to deduct 1 shilling 11 pence per day from the minimum rate of 24 shillings per week.

In May 1938, the first order was superseded by a second under which the weekly minimum wage, applicable throughout Ireland with the exception of one small district, was raised to 27 shillings for a 54-hour, 6 day week for all male adult agricultural workers engaged under a contract of employment of less than six months' duration. Wages for such workers under contract of employment of six months' duration or over were set at a minimum of 6 pounds, 5 shillings per month from March to September inclusive, and 5 pounds, 5 shillings per month from October to February inclusive. Separate minimum rates of wages were also fixed for the three divisions of workers under 20 years of age, and values of prerequisites were defined.^{1/}

^{1/} Ibid. p. 148.

3. New Zealand

The failure to include safeguards for farm workers^{1/} in measures taken for the benefit of agriculture received the attention of the Labour Party which was pledged not only to guarantee prices to farmers "for the supply of primary products sufficient to satisfy the internal and external requirements of the Dominion," but also to establish "a statutory minimum wage and salary to provide an adequate standard of living for all workers."^{2/} When, therefore, the Party was elected to power for the first time in 1935, it obtained the opportunity to put its program into action.

The first step in the achievement of this objective was the adoption of the Primary Products Marketing Act in May 1936, for the purpose of raising prices of dairy produce.^{3/} The effective application of

^{1/} Prior to 1936, only two measures were enacted affording some protection to agricultural workers: The Agricultural Labourers' Accommodation Act of 1908 as amended in 1912 and the Small Farms (Relief of Unemployment) Act of 1932-33. The first law defined the living accommodations which farm employers were obliged to furnish workers who lived as well as worked on farms. The second act provided for a further development of a scheme of settling unemployed agricultural workers on small farms as a means not merely of relieving unemployment but of "ensuring a supply of readily available and skilled laborers for employment by neighboring farmers as seasonal farm work" (E. J. Riches, "Agricultural Planning and Farm Wages in New Zealand," International Labor Review, March 1937, pp. 307 and 308).

^{2/} Quotations from the Labour Party election manifesto ("Standard," November 13, 1935): cited by E. J. Riches, "Agricultural Planning and Farm Wages in New Zealand," International Labor Review, March 1937, pp. 308 and 309.

^{3/} The Act provided that the prices to be fixed for dairy produce for the year August 1936 to August 1937 were to be based on the average market price for the eight to ten years prior to July 31, 1935. In fixing prices for subsequent years other specific considerations besides the level of the base period were to govern.

guaranteed prices for dairy produce was followed by the passage of the Mortgagors and Lessees Rehabilitation Act in October of the same year. This Act provided for a permanent adjustment of farm mortgages on the basis of the guaranteed price and was intended to reduce liabilities to such a level as would allow the competent farmer "to devote his time to production freed from the menace of possible foreclosure or eviction."^{1/}

The Government, however, recognized that its policy would not be complete "unless it included some provisions for the passing-on of a fair portion of the increased income to be conferred upon the dairy farmers by this legislation to their employees." Accordingly, it invited representatives of the New Zealand Farmers' Union to confer with the Minister of Labor with a view to reaching agreement on minimum conditions of employment of farm workers.^{2/} A complete agreement was reached and its terms were incorporated in the Agricultural Workers

^{1/} E. J. Riches, Op. cit., p. 310

^{2/} No representatives of dairy farm workers were invited because, it was said, no union existed which was qualified to represent them.

Act, passed in September 1936.^{1/}

The Act provided, among other things, for the setting of minimum wages at prescribed rates, plus an allowance for board and lodging, for workers employed on dairy farms.^{2/} It also contains provisions for holidays with full pay, minimum conditions as regards matters of overtime, payment of wages in full at regular periods and accommodations for all agricultural workers living on farms.^{3/} It further stipulates that no

^{1/} One of the main reasons why dairy farmers, orchardists and other groups of farmers wished to be covered by the Act was the belief that they could thus escape regulation by the Arbitration Court operating under the Industrial Conciliation and Arbitration Amendment Act of 1936. The latter not only restored the compulsory power of the Arbitration Court which it lost in 1932, but also increased the Court's jurisdiction to fix basic rates of wages by issuing awards applicable to all workers, nominally including agricultural workers represented by trade unions. The system of submitting industrial disputes involving registered union workers to the Court of Arbitration for final settlement was first introduced in New Zealand in 1894, but, prior to 1936, the Court refused to make an award affecting agricultural workers even though a number of applications for an award were made by unions of such workers. Although there is nothing in the present Agricultural Workers Act to prevent a union of dairy farm workers or of any other agricultural workers' organization from making application for an Arbitration Court award, apparently "it was an understood thing between the Minister (of Labor) and those with whom he conferred, when the agreement was drawn up, that the industry would be immune from the jurisdiction of the Court of Arbitration, . . ." (New Zealand; Parliamentary Debates, First Session 1936, Vol. 247, p. 113; Quoted by E. J. Riches, Op. cit., pp. 317-318).

^{2/} A dairy farm is defined as "A farm on which not less than ten cows are ordinarily kept and from which milk or cream is sold or otherwise disposed of in the course of business." Under this definition, the Act covered establishments which represented over 90 per cent of the total area devoted to dairying, produced over 90 per cent of the butterfat and owned 90 per cent of the milk cows. (E. J. Riches, Op. cit., pp. 313 and 316).

^{3/} The possibility of regulating hours of work has also been considered, but it proved impossible to reach agreement on any limitation of daily or weekly hours, and annual holidays with pay were allowed instead.

minor under the age of 15 years may be employed for hire or reward as an agricultural worker on any dairy farm. The section of the Act relating to accommodations consolidates with little change the provisions of the Agricultural Labourers' Act of 1908 as amended in 1912. It stipulates that every farm employer must provide the following accommodations for all agricultural workers employed by him: ^{1/}

- a) Where two or more persons are to be accommodated, the accommodation provided as sleeping-quarters shall be separate from the dining quarters;
- b) There shall be a sufficient supply of furniture and necessary utensils, and sufficient provision shall be made for a supply of drinking-water and of washing-water, and for lighting, heating, ventilation and sanitation;
- c) The sleeping-quarters shall contain not less than 500 cubic feet of air-space for every person to be accommodated therein;
- d) Suitable provision shall be made for storing meat and other perishable provisions and for drying clothes;
- e) Suitable first-aid appliances shall be provided.

Minimum weekly rates of wages were fixed in the Act for the first ten months of its operation and ranged from 17 shillings 6 pence for persons under 17 years of age to 42 shillings 6 pence for persons 21 years of age and over. ^{2/} These rates excluded board and lodging, and where the latter were not provided the minimum rate of wages was to be

^{1/} E. J. Riches, Op. cit., p. 312

^{2/} International Labor Office, The Minimum Wage, and International Survey, Series, D. No. 22, p. 165.

increased by 17 shillings 6 pence per week. The minimum wages for adults, which went into effect in October 1936, represented a 60 per cent increase over the average rate of 26 shillings 5 pence paid six months earlier.^{1/}

The Act further provided that after the expiration of the statutory minimum wage rates on July 31, 1937, they were to be set by Order in Council and adjusted from time to time in the light of prices fixed for dairy produce under the Primary Products Marketing Act of 1936. At no time, however, were they to be fixed at less than the rates established in the Act. In fact, during the 1937-38 season minimum weekly wage rates were raised over those fixed in the Act and corresponded to a slight increase in the prices guaranteed for dairy produce. They ranged from 18 shillings 6 pence for persons under 17 years of age to 45 shillings for persons 21 years of age and over.^{2/}

Permits may be granted to workers who may accept wages below the minima if they can show that they are incapable of earning the specified minimum rates because of physical or mental injury, old age or any other infirmity. A similar permit may be granted to any woman or girl employed as an agricultural worker on any dairy farm if the inspector is satisfied that she is not reasonably entitled to wages at the prescribed minimum rate. The Act also contains miscellaneous provisions concerning administration, penalties for violations, proceedings and regula-

^{1/} E. J. Riches, Op. Cit., p. 320

^{2/} International Labor Office, Op. cit., p. 165

tions to be followed.

The minimum wage provisions of the Act were limited in the first instance to dairy farm workers. A provision therein, however, stipulated that minimum wages could be extended by Order in Council to any specified classes of agricultural workers after consultation with the organizations (if any) of workers and employers concerned.

The first instance of such extension occurred in February 1937 when, following the establishment of a guaranteed price for fruit exported, minimum rates of wages were fixed for orchard workers. In April 1937, the minimum wage provisions of the Act were further extended to cover agricultural and pastoral workers on farms producing wool, meat and grain.^{1/} In the Spring of 1938, agricultural workers employed in market gardens in certain districts were likewise brought under the wage standards of the Act. Minimum wage orders were issued for the above three classes of farm workers in 1937 and 1938. The rates set were different for casual workers as compared with regularly employed farm workers and similarly differentiated on the basis of age and sex.^{2/}

As a result of these extensions, practically all farm workers in New Zealand not under the jurisdiction of the Arbitration Court are now covered by the minimum wage provisions of the Agricultural Workers Act.

In appraising the distinctive features of the Act, one student of the subject stated: "The statutory fixing of minimum wages and con-

^{1/} The Extension Order did not include workers already covered by awards or agreements under the Industrial Conciliation and Arbitration Act of 1936.

^{2/} See, I.L.O., The Minimum Wage, An International Survey, pp. 166-168.

ditions of labor for farm workers is in any case important: but what lends a special interest to the Agricultural Workers Act is its place as part of a comprehensive programme of economic planning applied to agriculture. In this programme, wages, prices and overhead costs are considered together, and other aspects of the farm problem, including the organization of manufacture and marketing, are tackled. The scheme may be neither final nor complete, and its success may depend in part on factors beyond the scope of its controls; but its central purpose, the assurance of an adequate standard of living to farm workers as well as to their employers, will not be easily abandoned."^{1/}

^{1/} E. J. Riches, Op. cit., p. 328.

4. Australia

Wages in Australia are very largely determined by decisions of the Federal Arbitration Court and similar institutions in the separate States. The Federal Court, which was established by the Commonwealth Conciliation and Arbitration Act in 1904, serves as an instrumentality "to promote good-will in industry by conciliation and arbitration." In case of labor-management dispute or threat of a dispute, a judge of the Commonwealth Court of Conciliation and Arbitration may summon representatives of the disputant parties, whose organizations are registered under the Act, to a compulsory Conciliation Conference. If a voluntary agreement is not reached at this conference, the judge refers the dispute to the Court which is empowered to make an award binding on both parties.^{1/} Since the bulk of the industrial disputes clusters around the question of wages, the Court is, in effect, a wage fixing authority.^{2/}

Before the Commonwealth Conciliation and Arbitration Act was amended, an industrial dispute of a nature to give the Court jurisdiction did not include a dispute relating to employment in any agricultural, viticultural, horticultural or dairy pursuit. Under the present

1/ Any industrial agreement between any duly registered organization of workers and of employers if filed under section 24 of the Act and certified by a judge of the Court has the same binding force as an award of the Court.

2/ In fact, the Court has also the power of fixing the basic rate of wages payable to adult unskilled workers and is empowered, subject to certain conditions, to vary these rates or the method of computation. The Court is thus concerned not merely with the settlement of disputes, but also with the safeguarding of a certain standard of living below which it is considered a worker should not fall.

Act as amended, however, no legal difficulties exist which prevent either farm employers or agricultural workers organized and duly registered under the Act from coming into the Court and asking for an award binding on both disputant parties in the industry. Registration under the Act is limited to any employer or association of employers in any industry who or which has employed not less than 100 workers on a monthly average during six months preceding the application for registration.^{1/}

Since the Commonwealth Court of Conciliation and Arbitration has never been asked to make an award for rural industries except as to pastoral and orchard workers, there are to-day Federal rural awards with regard to only two branches of agriculture, namely, sheep raising and fruit growing. In most of the other rural industries, wages are not regulated, but they have risen in sympathy with award rates in the pastoral and fruit-growing industries. Sheep raising, however, is the most important rural industry in Australia, employing the largest number of wage-paid agricultural workers. It is the only one which generally employs large-scale capitalistic methods of farming. Fruit-growing

^{1/} D. B. Cowland and O. de R Foonander, "Agricultural Wages in Australia", International Labor Review, International Labor Office, June 1932, P. 769.

^{2/} Most of the employers' associations and practically all of the agricultural workers' unions are organized on an inter-State basis and therefore come under the jurisdiction of the Commonwealth Act.



also employs agricultural workers in considerable numbers, although ^{1/} its employment is highly seasonal.

In fixing and varying wages of pastoral and orchard workers, the Court has been moved by two considerations, the prosperity of the pastoral and fruit growing industries and the cost of living. Particularly the history of the pastoral wage awards, discussed below, shows a close relationship between the shearing rate and the price of wool.

2/
1. The Pastoral Award

The first pastoral award affecting wool shearers was made by the Commonwealth Court of Arbitration in 1907. It covered the States of New South Wales, Victoria, Queensland and South Australia. Since sheep shearing had always been done on a piece-work payment basis, the Court fixed a minimum rate of 24 shillings per 100 sheep shorn. In 1911, however, the Court, in its second award, set a minimum weekly wage of 42 shillings which it considered the minimum amount needed by an Australian to maintain himself, a wife and three children according to the country's standard of comfort. In addition, the award fixed a

1/ Organization of trade unionism in rural industries is perhaps a good test of the extent to which wage-work prevails. In this connection, it should be noted that only in the pastoral and fruit-growing industries have trade unions been well organized and registered under the Commonwealth Conciliation and Arbitration Act. On the other hand, wheat and dairy farming tend to be "family" industries operated under a system of small proprietorship. In the case of dairy production, the growth of share farming tends to obviate still further the necessity for employment of labor on a large scale.

2/ An award binds only those pastoral employers who are joined as respondents, but it is generally understood that the award rates are paid by all pastoralists.

minimum of 12 shillings for the skill of the shearers and 6 shillings for time lost and expenses incurred in travelling, or a total minimum weekly wage of 3 pounds over the whole time of the shearing "expedition"^{1/}. Between 1916 and 1923, four further wage awards, covering the above-mentioned states, were made which raised the minimum wage rate from 28 shillings to 38 shillings per 100 sheep shorn.^{2/} The major factors responsible for those increases were the rising cost of living and the recognition of the productive effects of piece work.

Upon the application of the Australian Workers' Union,^{3/} the Court substituted a new and comprehensive award in 1926, covering shearers employed on "station" farms and shearers and shed hands who worked on sheep

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- ^{1/} The shearers make their way from "station" to "station" and from State to State. Sheep "stations" are located on grazing land covering vast expanses of unimproved country over which the shearers must travel usually hundreds and sometimes thousands of miles in the course of the season.
 - ^{2/} In the 1922 award, the State of Tasmania was included but Queensland, excluded. The Queensland State Tribunal, however, fixed a higher rate than the Federal Court largely because of the heavier travelling and other expenses incurred by shearers in this State than in the others.
 - ^{3/} This union is the largest in the country, having a membership of about 135,000. It was built up by absorbing smaller unions, including the Pastoral Workers' Union, the Rural Workers Union of Victoria composed of fruit harvest hands and the South Australian United Labourers' Union.

farms located in agricultural districts.^{1/} The Union asked for a shearing rate of 60 shillings per 100 sheep, but the Court awarded a rate of 40 shillings per 100 which it considered a fair rate to cover the living wage and a fair additional sum to represent a margin for skill, experience and for time lost and expenses incurred on a shearing "expedition".

In 1927, the Court raised the minimum wage rate still further to 41 shillings per 100, estimated to bring in to the average shearer a net earning of 6 pounds per week. This was the last increase in minimum wage rates the Court awarded before the economic depression which began in 1930. That year the Court reduced the rates to 32 shillings 6 pence in New South Wales, Victoria, South Australia and Tasmania and to 31 shillings 6 pence in Western Australia. The depressed economic state of the country and particularly the decline of wool prices were responsible for this scaling down of the wage rates.^{2/}

^{1/} Beside the vast expanses of land in unimproved country used for grazing sheep, there are sheep farms located in areas partially devoted to agricultural crop production. While the sheep farmers in the latter group are also holders of large flocks and their predominant occupation is raising sheep, they also raise produce generally used to feed sheep. Such farmers, therefore, not only employ sheep shearers and shed hands to raise and shear their own and other farmers' sheep, but also hire ordinary farm laborers to cultivate and harvest their crops. The Union requested that all employees on these farms be covered by the award, but the Court held that ordinary farm laborers were neither graziers nor pastoralists and refused the request. The award, therefore, applied to respondents whose main or predominant work was as pastoralists raising and shearing sheep on "station" farms and to shearers and shed hands, other than farm laborers, on sheep farms in agricultural districts.

^{2/} D. B. Copland and O. de R. Foenander, Op. cit., pp. 770-776.

The court has also made wage awards for pastoral workers other than sheep shearers. For example, sheep "station" farm hands^{1/} were first included in the 1917 award which granted them a minimum wage of 48 shillings with keep or 63 shillings without keep.^{2/} Until that year the conditions of these workers had been wholly unregulated and they were in receipt of a mere pittance, ammounting to 20 to 25 shillings per week with keep. Between 1920 and 1929, award wages for woolpressers and cooks were also increased, but not as much as for sheep farm hands. The record of Court wage awards for all of these workers shows only continual decreases after 1930.^{3/}

2. The Fruitgrowers' Award

In 1912, the Commonwealth Arbitration Court was first evoked by the Rural Workers' Union of Victoria and the South Australian Laborers' Union to make an award for fruit pickers of the Murray River Settlements. The pay fixed for harvest operations was one shilling per hour which was a rough equivalent of the basic

^{1/} Bullock drivers, boundary riders and generally "usefuls" on the pastoral property.

^{2/} The award permitted a deduction of not more than 30 shillings per week for the value of allowances or perquisites. To safeguard the workers against exploitation, the court provided that the value placed against these allowances or perquisites should be approved by a board of reference or by a union official.

^{3/} See D. B. Copland and O. de R. Foenander, Op. Cit., pp. 776-778.

wage^{1/} earned by unskilled workers. In 1920 a weekly minimum wage award of 3 pounds 19 shillings 6 pence was made for harvesting and pruning operations in all States except Queensland, and in 1925 the Court fixed a minimum weekly wage of 4 pounds 2 shillings for fruit harvesters in Victoria and 3 pounds 11 shillings for those in South Australia. In 1930 and 1931, on the request of employers who alleged that the industry was proving unprofitable under existing conditions, an award was made reducing wages of fruit workers in Victoria, New South Wales and South Australia.^{2/}

State Rural Wage Awards

In addition to the Commonwealth arbitration system, there are the separate systems which operate in the various States. Where State tribunals^{3/} have fixed minimum wages for certain groups of agricultural workers, the award rates usually have been higher than those allowed by the Federal Court. In Queensland and New South Wales, for example,

1/ The Federal Arbitration Court has defined the basic wage as "the normal needs of the average employee regarded as a human being in a civilized society." (I.L.O., The Minimum Wage, An International Survey, 1939, p. 7). The first basic wage, called the "Harvester Wage", was adopted in Australia in 1907 and set a rate of 7 shillings per day. A rate of 2 pounds 2 shillings per week was the amount considered reasonable for "a family of about five" in Melbourne. In subsequent wage determinations the principle generally adopted by the Court was that the basic wage should not be less than the true equivalent for the time being of the Harvester wage.

2/ D. B. Copland and O. de A. Foenander, Op. cit., pp. 778-780.

3/ Arbitration Courts exist in Queensland, South Australia and Western Australia; Wage Boards are found in Victoria and Tasmania and an Industrial Commission operates in New South Wales.

the pastoral awards in 1926 carried materially higher rates than the Federal pastoral award of that year.

At present, however, there are few State rural awards in operation. In New South Wales, the Amending Act of 1929 removed employees in rural industries from the operation of the Industrial Arbitration Acts and rescinded all awards applying to them. Similarly, in Queensland, the Industrial Conciliation and Arbitration Act of 1929 severely limits the Court's jurisdiction in rural industries and cancelled previous rural awards. Finally, no State award, nor wage determination can be made for rural workers in South Australia, Victoria and Tasmania. Only in Western Australia is the Arbitration Court empowered to deal with rural occupations, but even here a number of previous awards have become obsolete and in recent years the Court has not been invited to make any rural awards.^{1/}

Appraisal of the Federal Rural Awards

The rural minimum wage awards on behalf of pastoral workers and fruit harvesters have accomplished two things: they have reduced labor disputes in agriculture to a minimum and they have raised the standard of living of these agricultural workers. Before the constitution of the Federal Arbitration Court and prior to the awards, strikes in agriculture were not infrequent. Since then, no stoppage of work has oc-

^{1/} In 1921 the Court made a minimum wage award affecting vineyard and orchard employees, but as the applicant union is now defunct the award is regarded as obsolete. It has also made awards to cover workers employed in handling wheat at country sidings and in mechanically cutting chaff. (See D. B. Copland and O. de R. Foenander, Op. cit., pp. 780 - 781).

curred and both the growers and the workers have welcomed regulation by the Court. The latter, in turn, has demonstrated its willingness to allow agricultural workers to share in the prosperity of the industry and has shown reluctance to reduce the basic rates. The pastoral and fruit workers, on their side, are apparently satisfied that the system of awards assures them a considerable measure of protection. In the light of this experience, two students of the problem have suggested that since "workers' conditions on the pastoral properties are improved in a very marked degree - - - it would be a measure of social justice if the agricultural labourer could be granted similar amenities."^{1/}

^{1/} D. B. Copland and O. de R. Foenander, Op. cit., pp. 785-786.

5. Argentina, Canada, Hungary, Mexico, and Yugoslavia
and Other Countries

In Argentina, the Department of Labour issued regulations in 1939 concerning wages and working conditions for that year's maize harvest season in the province of Santa Fe.^{1/} These regulations came into force on approval of the Ministry of Economic Affairs. They set wage rates which take into consideration the inclusion or exclusion of the value of food to be provided by the farm employer. The latter is required to provide such perquisites as wood and good drinking water in the quantities required by his workers. An interesting feature of these regulations is the provision which prohibits the employer from making a lump sum payment to a group of workers, presumably working for a contractor. Work, on this basis, however, may be accepted by the trade unions which distribute the pay equally among the members concerned.^{2/} Somewhat similar regulation of agricultural wages are in force in the province of Buenos Aires, and in other provinces of Argentina there is a growing tendency towards regulation of conditions of work for the maize harvest.^{3/}

^{1/} These regulations do not cover young persons under 16 years of age, nor do they include women because both of these groups may not be employed at harvest work.

^{2/} Under these regulations, the trade unions are responsible for placing the agricultural labor employed in the maize harvest. For this purpose each union must obtain a list of the local and immigrant workers. If the number of workers thus registered is greater than the employment available, the union must provide for employment by rotation so that work is fairly distributed among all workers.

^{3/} International Labor Office, "Conditions of Employment for the Maize Harvest in Argentina". Industrial and Labor Information, June 5, 1939, pp. 759-760.

In Canada, only the province of Manitoba provides for nominal coverage of agricultural workers under its Fair Wages Act. The amendment of March 1938 to the Manitoba Fair Wages Act of 1936 empowers the Minister of Labor to recommend to the lieutenant Governor in Council application of certain provisions of the Act to industries which the Act does not cover. If the recommendation is accepted, the Minister may ask the Fair Wages board to draw up a scale of minimum wages applicable to the various classes of workers and convene a conference of employers and workers to negotiate the proposed scale. The rates fixed in this scale may not be less than those laid down in the Act. The wages negotiated at the conference becoming legally binding on all employers and workers in the industry.^{1/}

In Hungary, the Act of May 1923 set up minimum wage-fixing machinery which is set in motion by the Minister of Agriculture only the request of either the farm workers themselves or on his own initiative. Local joint committees of farmers and workers may be appointed and may be required by the Minister to fix minimum wages for agricultural laborers. The Act, however, has not been very effective.^{2/}

The Mexican constitution provides that minimum wage rates shall be fixed for all workers. This provision was implemented by the Federal

^{1/} International Labor Office, the I. L. O. Year Book, 1938-1939. pp. 216-217.

^{2/} International Labor Office, Social Problems in Agriculture, Record of the Permanent Agricultural Committee of the I.L.O., Series K, No. 14, 1938, p. 79.

Labor Act of 1931 which requires the fixing of minimum wages for each commune by a local committee containing representatives of employers and workers. The decisions of the communal committees are subject to revision by a central council for each State. Different minima are fixed for different categories of workers including agricultural laborers.^{1/}

In Yugoslavia, the Decree of February 13, 1937 relating to the establishment of minimum wages, among other things, are applicable to forestry workers who earn not less than 2 dinars an hour, but are not applicable to agricultural workers. However, section 35 of the Decree provides that minimum wages, may be fixed, if necessary, for agricultural workers through orders issued jointly by the Ministry of Social Policy and Public health and the Ministry of Agriculture.^{2/}

In Austria, the law provides that in the absence of collective agreements or individual contracts between the employee and the employer, wages must not be less than the statutory minima fixed by law. Similarly, the Czechoslovakian statute specifies that collective agreements (which must be registered with the Ministry of Labor) must be based on the scheme of wages and conditions drawn up annually by the Agricultural Department of the Ministry of Labor. Disputes are referred to joint committees, and if necessary, to arbitration courts. Denmark has established wage boards of three conciliators to administer collective agreements and, in the event of a dispute, to refer the matter to a Permanent Arbitration Court whose findings have the force of law.^{3/}

^{1/} Ibid, p. 79.

^{2/} D. Yermitch, "The Problem of Agricultural Labor in Yugoslavia," International Labor Review, I.L.O., August 1938, pp. 223-224.

^{3/} Journal of the Ministry of Agriculture, "Agricultural Workers" Wages in Europe," July 1924, p. 298.



The Estonian Act of November 1921 provided that minimum wage rates must be fixed for agricultural workers by Wages Committees for the various districts into which the Act divided the country. Accordingly, provincial joint committees, composed of farmers and agricultural workers, were established and met every year to consider and recommend minimum rates of wages and hours of work for agricultural workers. Their proposals were submitted to the Ministry of Labor which communicated them to the National Joint Committee. The latter examined and coordinated the proposals of the provincial committees which, if approved by the Ministry of Labor, were published and assumed the force of law. It is significant that the absence of strong trade unions among the agricultural workers of the country resulted in the failure of the provincial committees to function effectively and they were abandoned in 1929.^{2/}

In May 1939, however, Estonia repealed the Act of 1921 and enacted a new code which establishes standards of employment for agricultural workers. The Act does not fix minimum wages to be paid by the employer, but it prescribes the form of contracts of employment and the conditions of work which these must contain. While the determination of actual

1/ Journal of the Ministry of Agriculture, "Agricultural Workers' Wages in Europe," July 1924, p. 398.

2/ Journal of the Ministry of Agriculture, "Agricultural Workers' Wages in Europe," July 1924, p. 398.

wages is left to the employer, the worker is protected against non-payment or delayed payment of his wages as well as against the failure of the employer to pay compensatory rates for work done above the hours agreed.^{1/}

In 1934, the Government of the Netherlands issued an Emergency Organization Decree which afforded some measure of protection to agricultural workers whose wages were being drastically reduced largely because farm employers were taking advantage of the agricultural unemployment situation. The decree provided that 1) all employers in agricultural undertakings should be under an obligation to discuss the question of wages and other conditions of employment with agricultural workers' unions; 2) arbitration should be introduced for the settlement of differences; 3) the agreements concluded and arbitration awards given should be observed. As a result of the Decree, farm employers who formerly were unwilling to negotiate with agricultural workers' unions entered into negotiations with them either voluntarily or under Government compulsion. After 1934, the number of wage agreements concluded rose steadily and in several cases the Government arbitrators fixed wages.^{2/}

^{1/} The Act also contains provisions governing holidays, rest periods, housing accommodations and the employment of women, young persons and children. See, I.L.O., "New Labour Code in Estonia" Industrial and Labour Information, July 17, 1939, pp. 122-124.

^{2/} J. Hilgenga, "The Situation of Agricultural and Horticultural Workers in the Netherlands," International Labor Review, I.L.O., January 1938, pp. 48-49.

Similarly, in Poland, in December 1938, two special arbitration committees, constituted by the Polish Minister of Social Assistance, laid down conditions of work and wages in agriculture for the year 1939-1940. These conditions and wage-scales were established by collective agreements concluded between representatives of the organization of employers and agricultural workers, respectively.^{1/} Norway and Sweden, likewise, provide special machinery for bringing together the parties to a collective agreement and for taking disputes which arise before a central arbitration court.^{2/}

^{1/} I.L.O., "Conditions of work in Agriculture in Poland," Industrial and Labour Information, January 23, 1939, p. 118.

^{2/} In Norway, a committee set up in common by trade unions and the Labour Party, issued a report in 1937 recommending the establishment of central and local wage boards which should fix minimum wages for agricultural workers. It was further recommended that the wage boards should approve collective agreements in agriculture provided that rates fixed in such agreements do not fall below the minimum standard laid down by them. Somewhat similar recommendations were made that year by a government-appointed committee in Sweden which undertook to examine what steps could be taken to improve the wage standards of agricultural workers. (See, I.L.O., Social Problems in Agriculture, Record of the Permanent Agricultural Committee of the I.L.O., Series K, No. 14, 1938, footnotes, pp. 85-86.

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